

AMENDED IN ASSEMBLY AUGUST 20, 2009

AMENDED IN ASSEMBLY JULY 6, 2009

AMENDED IN ASSEMBLY JUNE 23, 2009

AMENDED IN SENATE APRIL 2, 2009

SENATE BILL

No. 483

Introduced by Senator Corbett

February 26, 2009

~~An act to amend Section 2924.8 of the Civil Code, and to amend Section 1161b of the Code of Civil Procedure, relating to mortgages. An act to add Section 7073.5 to the Government Code, relating to economic development, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 483, as amended, Corbett. ~~Mortgages; foreclosure. Enterprise zones: City of Fremont.~~

Existing law, the Enterprise Zone Act, provides for the designation of enterprise zones by the Department of Community Housing and Development, based on the department's approval of applications from a city, county, or city and county with a geographic area meeting certain criteria. Certain entities within a designated enterprise zone may receive regulatory, tax, and other incentives for private investment and employment.

This bill would, notwithstanding any other law, require the department to, upon application by the Fremont City Council, designate one enterprise zone within the geographic area of the City of Fremont.

This bill would declare that is to take effect immediately as an urgency statute.

Upon a breach of the obligation of a mortgage or transfer of an interest in property, existing law requires the trustee, mortgagee, or beneficiary to post a notice of sale, as specified. Existing law also requires that the notice of sale in the case of default be mailed to the resident of the property and posted on the property, as specified. It is an infraction to tear down the notice within 72 hours of posting.

Existing law also requires that a tenant or subtenant in possession of a rental housing unit at the time the property is sold in foreclosure shall be given 60 days' written notice to quit, as specified, before the tenant or subtenant may be removed from the property, as specified.

This bill would revise the content of the notice described above that is required to be posted on the property. The bill would also revise the latter provision to provide that a tenant or subtenant in possession of a rental housing unit at the time the property is sold in foreclosure shall be given 60 days' written notice to quit, as specified, or 90 days if required by any other provision of state or federal law, before the tenant or subtenant may be removed from the property, as specified.

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: ~~no~~^{yes}. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 7073.5 is added to the Government Code,
- 2 to read:
- 3 7073.5. (a) Notwithstanding any other law, the department
- 4 shall, upon application by the Fremont City Council, designate
- 5 one enterprise zone within the geographic area of the City of
- 6 Fremont pursuant to this section.
- 7 (b) For purposes of applying any provision of the Revenue and
- 8 Taxation Code, the enterprise zone designated pursuant to this
- 9 section shall be deemed to have been designated pursuant to the
- 10 Enterprise Zone Act.
- 11 (c) The enterprise zone designated under this section shall not
- 12 be included in the calculation of the overall number of enterprise
- 13 zones authorized under the Enterprise Zone Act.
- 14 SEC. 2. Due to the unique circumstances of the City of Fremont,
- 15 with respect to the need for sustained employment and business
- 16 development in the area, the Legislature hereby finds and declares
- 17 that a general statute cannot be made applicable within the
- 18 meaning of Section 16 of Article IV of the California Constitution.

1 *Therefore, the special legislation contained in Section 1 of this act*
2 *is necessarily applicable only to the City of Fremont.*

3 *SEC. 3. This act is an urgency statute necessary for the*
4 *immediate preservation of the public peace, health, or safety within*
5 *the meaning of Article IV of the Constitution and shall go into*
6 *immediate effect. The facts constituting the necessity are:*

7 *To encourage economic development and stability by allowing*
8 *the creation of an enterprise zone within the City of Fremont as*
9 *quickly as possible, it is necessary for this bill to go into immediate*
10 *effect.*

11 ~~SECTION 1. Section 2924.8 of the Civil Code is amended to~~
12 ~~read:~~

13 ~~2924.8.—(a) Upon posting a notice of sale pursuant to Section~~
14 ~~2924f, a trustee or authorized agent shall also post the following~~
15 ~~notice, in the manner required for posting the notice of sale on the~~
16 ~~property to be sold, and a mortgagee, trustee, beneficiary, or~~
17 ~~authorized agent shall mail, at the same time in an envelope~~
18 ~~addressed to the “Resident of property subject to foreclosure sale”~~
19 ~~the following notice in English and the languages described in~~
20 ~~Section 1632: “You are not required to move at this time. However,~~
21 ~~the foreclosure process has begun on this property, which may~~
22 ~~affect your right to continue to live in this property in the future.~~
23 ~~Twenty days or more after the date of this notice, this property~~
24 ~~may be sold at foreclosure. If you are renting this property, your~~
25 ~~tenancy may continue after the foreclosure sale. In order for the~~
26 ~~new owner to evict you, the new owner must provide you with at~~
27 ~~least 60 days’ written eviction notice. However, some laws may~~
28 ~~prohibit an eviction. You should contact a lawyer or your local~~
29 ~~legal aid or housing counseling agency to discuss any rights you~~
30 ~~may have.”~~

31 ~~(b) It shall be an infraction to tear down the notice described in~~
32 ~~subdivision (a) within 72 hours of posting. Violators shall be~~
33 ~~subject to a fine of one hundred dollars (\$100).~~

34 ~~(c) A state government entity shall make available translations~~
35 ~~of the notice described in subdivision (a) which may be used by a~~
36 ~~mortgagee, trustee, beneficiary, or authorized agent to satisfy the~~
37 ~~requirements of this section.~~

38 ~~(d) This section shall only apply to loans secured by residential~~
39 ~~real property, and if the billing address for the mortgage note is~~
40 ~~different than the property address.~~

1 ~~(e) This section shall remain in effect only until January 1, 2013,~~
2 ~~and as of that date is repealed, unless a later enacted statute, that~~
3 ~~is enacted before January 1, 2013, deletes or extends that date.~~

4 ~~SEC. 2. Section 1161b of the Code of Civil Procedure is~~
5 ~~amended to read:~~

6 ~~1161b. (a) Notwithstanding Section 1161a, a tenant or~~
7 ~~subtenant in possession of a rental housing unit at the time the~~
8 ~~property is sold in foreclosure shall be given 60 days' written~~
9 ~~notice to quit pursuant to Section 1162, or 90 days if required by~~
10 ~~any other provision of state or federal law, before the tenant or~~
11 ~~subtenant may be removed from the property as prescribed in this~~
12 ~~chapter.~~

13 ~~(b) This section shall not apply if any party to the note remains~~
14 ~~in the property as a tenant, subtenant, or occupant.~~

15 ~~(c) This section shall remain in effect only until January 1, 2013,~~
16 ~~and as of that date is repealed, unless a later enacted statute, that~~
17 ~~is enacted before January 1, 2013, deletes or extends that date.~~